Western Economic Diversification Canada

2014–15

Report on Plans and Priorities

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Minister of Health

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Minister of State (Western Economic Diversification)

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2014–15
ESTIMATES

PART III – Departmental Expenditure Plans: Reports on Plans and Priorities

Purpose
Reports on Plans and Priorities (RPP) are individual expenditure plans for each department and agency. These reports provide increased levels of detail over a three-year period on an organization's main priorities by strategic outcome, program and planned/expected results, including links to related resource requirements presented in the Main Estimates. In conjunction with the Main Estimates, Reports on Plans and Priorities serve to inform members of Parliament on planned expenditures of departments and agencies, and support Parliament's consideration of supply bills. The RPPs are typically tabled soon after the Main Estimates by the President of the Treasury Board.

Estimates Documents
The Estimates are comprised of three parts:

Part I - Government Expenditure Plan - provides an overview of the Government's requirements and changes in estimated expenditures from previous fiscal years.

Part II - Main Estimates - supports the appropriation acts with detailed information on the estimated spending and authorities being sought by each federal organization requesting appropriations.

In accordance with Standing Orders of the House of Commons, Parts I and II must be tabled on or before March 1.

Part III - Departmental Expenditure Plans - consists of two components:

- Report on Plans and Priorities (RPP)
- Departmental Performance Report (DPR)

DPRs are individual department and agency accounts of results achieved against planned performance expectations as set out in respective RPPs.

The DPRs for the most recently completed fiscal year are tabled in the fall by the President of the Treasury Board.

Supplementary Estimates support Appropriation Acts presented later in the fiscal year. Supplementary Estimates present information on spending requirements that were either not

sufficiently developed in time for inclusion in the Main Estimates or have subsequently been refined to account for developments in particular programs and services. Supplementary Estimates also provide information on changes to expenditure forecasts of major statutory items as well as on such items as: transfers of funds between votes; debt deletion; loan guarantees; and new or increased grants.

For more information on the Estimates, please consult the Treasury Board Secretariat website.[1]

Links to the Estimates
As shown above, RPPs make up part of the Part III of the Estimates documents. Whereas Part II emphasizes the financial aspect of the Estimates, Part III focuses on financial and non-financial performance information, both from a planning and priorities standpoint (RPP), and an achievements and results perspective (DPR).

The Management Resources and Results Structure (MRRS) establishes a structure for display of financial information in the Estimates and reporting to Parliament via RPPs and DPRs. When displaying planned spending, RPPs rely on the Estimates as a basic source of financial information.

Main Estimates expenditure figures are based on the Annual Reference Level Update which is prepared in the fall. In comparison, planned spending found in RPPs includes the Estimates as well as any other amounts that have been approved through a Treasury Board submission up to February 1st (See Definitions section). This readjusting of the financial figures allows for a more up-to-date portrait of planned spending by program.

Changes to the presentation of the Report on Plans and Priorities
Several changes have been made to the presentation of the RPP partially to respond to a number of requests – from the House of Commons Standing Committees on Public Accounts (PAC - Report 15[2]), in 2010; and on Government and Operations Estimates (OGGO - Report 7[3]), in 2012 – to provide more detailed financial and non-financial performance information about programs within RPPs and DPRs, thus improving the ease of their study to support appropriations approval.

- In Section II, financial, human resources and performance information is now presented at the Program and Sub-program levels for more granularity.
- The report's general format and terminology have been reviewed for clarity and consistency purposes.
- Other efforts aimed at making the report more intuitive and focused on Estimates information were made to strengthen alignment with the Main Estimates.

How to read this document
RPPs are divided into four sections:

Section I: Organizational Expenditure Overview

This Organizational Expenditure Overview allows the reader to get a general glance at the organization. It provides a description of the organization's purpose, as well as basic financial and human resources information. This section opens with the new Organizational Profile, which displays general information about the department, including the names of the minister and the deputy head, the ministerial portfolio, the year the department was established, and the main legislative authorities. This subsection is followed by a new subsection entitled Organizational Context, which includes the *Raison d'être*, the Responsibilities, the Strategic Outcomes and Program Alignment Architecture, the Organizational Priorities and the Risk Analysis. This section ends with the Planned Expenditures, the Alignment to Government of Canada Outcomes, the Estimates by Votes and the Contribution to the Federal Sustainable Development Strategy. It should be noted that this section does not display any non-financial performance information related to programs (please see Section II).

Section II: Analysis of Program(s) by Strategic Outcome(s)

This Section provides detailed financial and non-financial performance information for strategic outcomes, Programs and sub-programs. This section allows the reader to learn more about programs by reading their respective description and narrative entitled "Planning Highlights". This narrative speaks to key services or initiatives which support the plans and priorities presented in Section I; it also describes how performance information supports the department's strategic outcome or parent program.

Section III: Supplementary Information

This section provides supporting information related to departmental plans and priorities. In this section, the reader will find future-oriented statement of operations and a link to supplementary information tables regarding transfer payments, as well as information related to the greening government operations, internal audits and evaluations, horizontal initiatives, user fees, major crown and transformational projects, and up-front multi-year funding, where applicable to individual organizations. The reader will also find a link to the *Tax Expenditures and Evaluations Report*, produced annually by the Minister of Finance, which provides estimates and projections of the revenue impacts of federal tax measures designed to support the economic and social priorities of the Government of Canada.

Section IV: Organizational Contact Information

In this last section, the reader will have access to organizational contact information.

Definitions

Appropriation
Any authority of Parliament to pay money out of the Consolidated Revenue Fund.

Budgetary Vs. Non-budgetary Expenditures
Budgetary expenditures – operating and capital expenditures; transfer payments to other levels of government, organizations or individuals; and payments to crown corporations.
Non-budgetary expenditures – net outlays and receipts related to loans, investments and advances, which change the composition of the financial assets of the Government of Canada.

Expected Result
An outcome that a program is designed to achieve.

Full-Time Equivalent (FTE)
A measure of the extent to which an employee represents a full person-year charge against a departmental budget. FTEs are calculated as a ratio of assigned hours of work to scheduled hours of work. Scheduled hours of work are set out in collective agreements.

Government of Canada Outcomes
A set of high-level objectives defined for the government as a whole.

Management Resources and Results Structure (MRRS)
A common approach and structure to the collection, management and reporting of financial and non-financial performance information.

An MRRS provides detailed information on all departmental programs (e.g.: program costs, program expected results and their associated targets, how they align to the government's priorities and intended outcomes, etc.) and establishes the same structure for both internal decision making and external accountability.

Planned Spending
For the purpose of the RPP, planned spending refers to those amounts for which a Treasury Board (TB) submission approval has been received by no later than February 1, 2014. This cut-off date differs from the Main Estimates process. Therefore, planned spending may include amounts incremental to planned expenditure levels presented in the 2014–15 Main Estimates.

Program
A group of related resource inputs and activities that are managed to meet specific needs and to achieve intended results, and that are treated as a budgetary unit.

Program Alignment Architecture
A structured inventory of a department's programs, where programs are arranged in a hierarchical manner to depict the logical relationship between each program and the Strategic Outcome(s) to which they contribute.

Spending Areas
Government of Canada categories of expenditures. There are four spending areas[4] (social affairs, economic affairs, international affairs and government affairs) each comprised of three to five Government of Canada outcomes.

Strategic Outcome
A long-term and enduring benefit to Canadians that is linked to the department's mandate, vision, and core functions.

Sunset Program
A time-limited program that does not have on-going funding or policy authority. When the program is set to expire, a decision must be made as to whether to continue the program. (In the case of a renewal, the decision specifies the scope, funding level and duration).

Whole-of-Government Framework
A map of the financial and non-financial contributions of federal organizations receiving appropriations that aligns their Programs to a set of high level outcome areas defined for the government as a whole.

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Minister's Message

As Minister responsible for Western Economic Diversification Canada (WD), I am pleased to present the Department's 2014–2015 Report on Plans and Priorities.

In the year ahead, creating jobs and securing economic growth is and will remain our Government's top priority. Despite continued global economic uncertainty, Canada has stayed strong, now among only a few countries in the world with a triple-A credit rating. Canada's economic resilience reflects the actions our Government has taken to lower taxes, pay down debt, reduce red tape and promote free trade and innovation. Moving into 2014–15, WD will focus on new strategic directions to diversify and promote an innovative and resilient economy. This work will build on the Department's solid foundation of investing in strategic projects, partnerships and programs that contribute towards economic growth, jobs and prosperity for all western Canadians.

The Honourable Rona Ambrose, P.C., M.P.

Minister of State's Message

As Minister of State for Western Economic Diversification, I am pleased to present the *2014–2015 Report on Plans and Priorities* for the Department.

As a result of broad-based engagement across Western Canada and a review of existing departmental priorities, WD is setting out a new strategic agenda to create jobs and secure economic growth while delivering on the Department's mandate to develop and diversify the western Canadian economy.

Canada's West is home to world-class academic research institutions, and our innovators develop products and services that have great potential. It is a challenge, however, for firms to find funding to translate their ideas into market-ready products and services. WD is helping bridge this gap through the Western Innovation (WINN) Initiative. WINN responds to a clear need that western Canadian businesses have identified, providing them with access to the capital they require to move ideas from test bench to marketplace.

WD will also continue to help industry and educational institutions address identified skilled labour shortages in Western Canada. WD will provide market-driven, targeted investments so that western Canadians can access training opportunities and gain the skills they need to secure high-paying jobs.

To further trade and investment, WD will help businesses capitalize on international opportunities while improving trade corridors to support the flow of goods and services into and out of Western Canada. The department will also play a key role in maximizing opportunities related to federal defence procurement by highlighting regional business strengths to key players and informing local businesses of potential defence procurement opportunities. In support of these efforts, WD will continue to promote western Canadian aerospace, defence and marine capabilities.

WD will work with Aboriginal entrepreneurs and leaders across the West to ensure that their communities take full advantage of available economic opportunities. This is part of our Department's strong commitment to engage western Aboriginal communities to promote job creation and economic growth.

Moving forward, WD will continue working with stakeholders while exploring new partners to improve the long-term competitiveness of the western provinces. Together, we're showing Canada and the world that *The West Means Business*.

The Honourable Michelle Rempel, P.C., M.P.

Section I: Organizational Expenditure Overview

Organizational Profile

Minister(s): The Honourable Rona Ambrose, P.C., M.P.
The Honourable Michelle Rempel, P.C., M.P.

Deputy head: Daphne Meredith

Ministerial portfolio:

Department of Western Economic Diversification

Year established: 1988

Main legislative authorities: *Western Economic Diversification Act*[5]

Headquarters: Edmonton, Alberta

Offices: Vancouver, BC
Edmonton and Calgary, AB
Saskatoon, SK
Winnipeg, MB
Ottawa, ON

Organizational Context

Raison d'être

Western Economic Diversification Canada (WD) was established in 1988 to promote the development and diversification of the economy of Western Canada and to advance the interests of the West in national economic policy, program and project development and implementation. The Minister of Health, supported by the Minister of State (Western Economic Diversification), is responsible for this organization.

As the department responsible for regional development in Western Canada, WD develops and supports economic policies, programs and activities to promote economic growth throughout Western Canada.

Responsibilities

WD's mandate allows the department to implement diverse programs and initiatives across the West to help western Canadians create strong, competitive and innovative businesses and communities.

WD has strong connections with other federal government departments throughout Canada, enabling the department to ensure that western interests and perspectives are included in federal decision making. WD's western base enables the department to foster extensive partnerships with western Canadian business and community organizations, research and academic institutions, and provincial and municipal governments.

WD focuses its activities in three areas:

Business Development and Innovation: WD helps small and medium-sized enterprises (SME) develop and grow, create jobs, expand their markets, increase their exports and become more innovative and productive. The department assists SMEs with international business engagement and works to attract investment to the region, as well as assist western Canadian SMEs to access opportunities linked to government procurement. Further, WD promotes the development and growth of the knowledge-based economy by building innovation capacity and supporting the commercialization of new knowledge-based products, processes and services.

Launched in October 2013, the Western Innovation (WINN) Initiative helps western Canadian SMEs bring innovative technology-based products, processes and services to market.

Community Economic Growth: WD helps communities sustain their local economies and adjust to changing economic circumstances through departmental programs and by delivering national initiatives on behalf of the Government of Canada in Western Canada. WD also supports community-based organizations that provide western entrepreneurs with the information, training and loans they need to start and grow their businesses.

Policy, Advocacy and Coordination: WD identifies opportunities to strengthen the western Canadian economy and coordinate economic development activities, policies and programs across the West. WD works to build strategic relationships with key decision makers across Canada and works with western Canadian industry on defence-related procurement opportunities.

Strategic Outcome and Program Alignment Architecture

Strategic Outcome: A growing and diversified western Canadian economy

1.1 Program: Business Development and Innovation

- **1.1.1 Sub-Program:** Trade, Investment and Market Access
- **1.1.2 Sub-Program:** Business Productivity and Growth
- **1.1.3 Sub-Program:** Innovation Capacity Building
- **1.1.4 Sub-Program:** Technology Commercialization

1.2 Program: Community Economic Growth

- **1.2.1 Sub-Program:** Infrastructure Programming
- **1.2.2 Sub-Program:** Community Development
- **1.2.3 Sub-Program:** Community Futures Program
- **1.2.4 Sub-Program:** Targeted Economic Initiatives

1.3 Program: Policy, Advocacy and Coordination

- **1.3.1 Sub-Program:** Advocacy and Coordination
- **1.3.2 Sub-Program:** Economic Analysis

Internal Services

Organizational Priorities

In 2014–15, WD will focus on seven priorities to create jobs and promote economic growth while delivering on its mandate to develop and diversify the western Canadian economy.

Priority	Type[1]	Program(s)
Innovation	Ongoing	Business Development and Innovation Policy, Advocacy and Coordination

Description – Strengthen Western Canada's innovation capacity by supporting SMEs to bring new technology-based products, processes and services to market, by supporting research and not-for-profit institutions with pre-commercialization investments, and by convening key stakeholders to facilitate discussions on innovation policy and create commercial opportunities.

Why is this a priority?

- The commercialization of new technologies is important to economic growth, diversification and prosperity. The global economy is driven increasingly by new ideas and knowledge-based industries.
- Increased support for the key drivers of technology commercialization and innovation is essential to the diversification of the western Canadian economy. According to Statistics Canada, in 2011, business expenditures on research and development in Western Canada[6] were 0.5 percent of gross domestic product,[7] compared to 0.8 percent for Canada as a whole.[8]
- Innovation is a priority for the federal and provincial governments, as demonstrated in Budget 2013[9] and Canada's Science and Technology Strategy.[10]

Plans for meeting the priority

- Implement the WINN Initiative to assist SMEs in Western Canada to move their new and innovative technologies from the later stages of research and development to the marketplace;
- Invest in market-driven projects that develop and showcase new innovative processes and technologies or support innovation capacity building; and
- Act as a convenor of industry, post-secondary institutions, major research facilities and government to facilitate the advancement of innovation policy, strengthen the innovation marketplace and support pre-commercialization opportunities.

[1] Type is defined as follows: **previously committed to**—committed to in the first or second fiscal year prior to the subject year of the report; **ongoing**—committed to at least three fiscal years prior to the subject year of the report; and **new**—newly committed to in the reporting year of the RPP or DPR.

Priority	Type	Program(s)
Skills	New	Business Development and Innovation Community Economic Growth Policy, Advocacy and Coordination

Description – Support market-driven skills development, including funding for projects to support skills training and facilitate the development of training partnerships between industry and post-secondary or other organizations.

Why is this a priority?

- There is high demand for skilled workers in many of the fast growing sectors in Western Canada, including mining, energy, construction and manufacturing.
- WD has an opportunity to complement the work of the western provinces and Employment and Social Development Canada.

Plans for meeting the priority

- Facilitate opportunities that bring together industry and post-secondary and other organizations to explore skills and training partnerships and increase training capacity for specific skilled worker shortages;
- Support skills projects focused on increasing the availability of training equipment at post-secondary and other organizations, implementing on-site training programs and facilitating the sharing of skills training best practices; and
- Invest in productivity initiatives that encourage the development and adoption of innovative business processes and practices.

Priority	Type	Program(s)
Aboriginal Economic Development	New	Business Development and Innovation Community Economic Growth Policy, Advocacy and Coordination

Description – Engage and work with Aboriginal entrepreneurs and SMEs to identify opportunities for economic development and enhance market-driven skills development for Aboriginal people or communities.

Why is this a priority?

- WD is committed to collaborate with Aboriginal entrepreneurs and business leaders to accelerate opportunities for business development and growth.
- Over the next decade, Canada may see up to $650 billion of investment in more than 600 major projects in the resource sectors across the country, many of which will be located in Western Canada.[11] Under its mandate, WD can support projects that enable western Canadian Aboriginal people and communities to benefit from these investments and that complement programs delivered by Aboriginal and Northern Development Canada.
- Improved labour market participation for Aboriginal Canadians is important to Western Canada's long-term prosperity.

Plans for meeting the priority

- Engage Aboriginal peoples across the West and key partners to identify opportunities for collaborative investment in support of economic development, such as participation in natural resource development opportunities;
- Engage and work with Aboriginal peoples across the West to partner with industry, other government departments and post-secondary institutions and other organizations to increase opportunities for Aboriginal skills development; and
- Provide funding to the Aboriginal Business Services Network and Aboriginal Community Futures organizations across Western Canada to enhance access to business information, services and training.

Priority	Type	Program(s)
Trade and Investment	Ongoing	Business Development and Innovation Policy, Advocacy and Coordination

Description – Enhance SME participation in international business, particularly in emerging markets.

Why is this a priority?

- Western Canada is focused on increasing exports to foreign markets for its goods and services. International exports account for a significant proportion of Western Canada's gross domestic product.[12]
- Supporting trade and investment activities helps SMEs increase their competitiveness and productivity. Businesses can take advantage of economies of scale, enhance their skills and expertise and gain access to new and emerging markets, innovative ideas, technology and capital. This, in turn, increases their long-term profits and promotes job creation.
- International trade and investment enhances economic prosperity. Under the Global Markets Action Plan,[13] the Government of Canada will concentrate its efforts on the markets that hold the greatest promise for Canadian business.

Plans for meeting the priority

- Strengthen the ability of western Canadian SMEs to access opportunities in international markets, both in North America and emerging markets;
- Improve trade corridors of importance to Western Canada to support the flow of goods, services and people;
- Strategically support western Canadian participation at international trade shows to raise awareness of the West's capabilities; and
- Build awareness of Western Canada as a competitive investment destination to increase foreign direct investment into the region.

Priority	Type	Program(s)
Federal Defence Procurement	New	Policy, Advocacy and Coordination Business Development and Innovation

Description – Maximize the ability of western SMEs to capitalize on federal defence procurement.

Why is this a priority?

- Canada's defence-related industries include more than 2,000 companies, 70,000 employees and $12.6 billion in annual revenues.[14] With industrial and regional benefit opportunities in Canada projected to grow from $23 billion in 2011 to $49 billion in 2027, there are significant industrial opportunities for Western Canada.[15]
- WD introduced and implements Western Canada's Shipbuilding Action Plan.

Plans for meeting the priority

- Work as a business facilitator to ensure western Canadian stakeholders are aware of federal defence procurement and what is required to successfully engage and maximize participation in global supply chains of prime contractors and key partners;
- Strengthen the western Canadian aerospace, defence and marine sectors by identifying strategic investments that support innovation, international competitiveness and growth;
- Support collaborative trade and investment opportunities, including an increased participation at international events and trade missions in the aerospace, defence and marine sectors as part of a unified Canadian presence; and
- Represent western interests to key decision-makers in the development of national policies and strategies relating to the federal procurement process and the aerospace, defence and marine sectors.

Priority	Type	Program(s)
Modernization of the Western Canada Business Services Network (WCBSN)	New	Business Development and Innovation Community Economic Growth

Description – Ensure WCBSN members are maximizing their impact in their communities and are aligned with Government of Canada and WD priorities.

Why is this a priority?

- The WCBSN is a network of more than 100 offices funded by WD to provide business information and assistance, planning and implementation of community economic development initiatives and loans to SMEs. The WCBSN includes several organizations, including Community Futures organizations, Women's Enterprise Initiative offices, Francophone Economic Development Organizations and members of the Canada Business Network.
- There is an opportunity to strengthen WCBSN's programs and services to maximize their impact and realize their potential to be economic drivers in their communities, and for WCBSN members to unlock economic opportunities that are aligned with Government of Canada and WD priorities.

Plans for meeting the priority

- Continue to work with WCBSN members to strengthen the structures, governance and accountability needed to provide value-added offerings in an environment where basic business information is readily available; and
- Work with the WCBSN to enhance its support and promotion of the Government of Canada priorities of technology commercialization, innovation, job creation and the implementation of projects and activities that support sustainable economic growth.

Priority	Type	Program(s)
Managing for Excellence in a Changing Environment	Previously Committed to	All programs

Description – Capitalize on opportunities and implement strategies to respond to risks and changes in WD's management environment.

Why is this a priority?

- WD is working in an increasingly dynamic and complex environment and recognizes the need to adapt programs to address the needs of western Canadians and the western Canadian economy.
- Canadians expect government to modernize its operations and ensure they are effective and efficient.

Plans for meeting the priority

- Streamline and standardize business processes, including information management and technology;
- Support knowledge management and employee development to maintain consistent program delivery, policy implementation and client service; and
- Collaborate with other Regional Development Agencies in implementing common business processes to achieve program efficiencies.

Risk Analysis

Key Risks

Risk	Risk Response Strategy	Link to Program Alignment Architecture
Declining competitiveness and slow productivity growth in Western Canada	Investment in projects that help businesses increase productivity and competitiveness; and Delivery of the WINN Initiative to bring innovative technology-based products, processes and services to market.	• Business Development and Innovation
Small domestic market and increasing global competition for western Canadian businesses	Work with western Canadian SMEs, industry associations and research institutes to improve access to global value chains; and Support projects leading to enhanced international market access for western Canadian products and services.	• Business Development and Innovation

Economic growth and prosperity in Western Canada continues to be largely resource-driven and the West has benefitted from prolonged periods of high demand and prices for commodities. While the West's natural resources provide a strong foundation for future economic growth, the resource-driven growth has masked a number of fundamental challenges facing Western Canada's long-term economic prospects.

Compared to Western Canada's competitors, businesses in Western Canada suffer from declining competitiveness and slow productivity growth, due in part to comparatively low levels of investment in research and development and slower rates of adoption of new technologies and equipment, particularly outside of the major resource sectors. This is due in part to low levels of risk capital financing observed in Western Canada. Innovative start-up firms in the West face greater challenges in accessing sufficient financing for technology commercialization priorities; this funding gap is particularly pronounced for early-stage firms. In 2014–15, WD will continue to invest in projects and activities that help businesses increase their productivity and competitiveness through the development, commercialization and adoption of new technologies and business processes.

Western Canadian businesses also face the challenge of a small domestic market and increasing global competition. Expanding trade and market opportunities for western Canadian businesses is an important component of economic prosperity. In order to remain competitive in a global economy, western Canadian businesses will need to increase their presence in international markets, participate in global value chains and attract foreign direct investment. In 2014–15,

WD will continue to work with western Canadian SMEs, industry associations and research institutions to improve access to global value chains, strengthen international partnerships and encourage foreign direct investment, leading to enhanced international market access for western Canadian products and services.

Planned Expenditures

Budgetary Financial Resources (Planned Spending—dollars)

2014–15 Main Estimates	2014–15 Planned Spending	2015–16 Planned Spending	2016–17 Planned Spending
158,907,952	158,907,952	158,797,182	155,819,665

Human Resources (Full-Time Equivalents[16]—FTEs)

2014–15	2015–16	2016–17
310	310	296

Budgetary Planning Summary for Strategic Outcome and Program(s) (dollars)

Strategic Outcome(s), Program(s) and Internal Services	2011–12 Expenditures	2012–13 Expenditures	2013–14 Forecast Spending	2014–15 Main Estimates	2014–15 Planned Spending	2015–16 Planned Spending	2016–17 Planned Spending
Strategic Outcome 1: A growing and diversified western Canadian economy							
Program 1: Business Development and Innovation	120,289,876	117,571,416	101,828,131	100,598,774	100,598,774	100,528,650	99,450,441
Program 2: Community Economic Growth	39,889,572	35,377,579	62,169,344	34,432,043	34,432,043	34,408,041	32,956,127
Program 3: Policy, Advocacy and Coordination	7,630,756	8,538,591	8,891,342	10,741,002	10,741,002	10,733,515	10,532,257
Strategic Outcome 1 Subtotal	167,810,204	161,487,586	172,888,817	145,771,819	145,771,819	145,670,206	142,938,825
Internal Services Subtotal	27,473,277	22,230,897	21,762,298	13,136,133	13,136,133	13,126,976	12,880,840
Total	195,283,481	183,718,483	194,651,115	158,907,952	158,907,952	158,797,182	155,819,665

WD's planned spending is $158.9 million in 2014–15, compared to the 2013–14 forecast spending of $194.7 million. The $35.8 million decrease in net spending includes a decrease in both transfer payments and operating costs. Factors contributing to the net decrease include:

- Sun-setting of funding provided through the Economic Action Plan (EAP) program "Community Infrastructure Improvement Fund" (decrease of $27.4 million); and
- Realization of savings identified as part of the Budget 2012 planned savings including statutory costs (decrease of $7.0 million).
- Net adjustments sought during the 2013–14 fiscal year also contribute $1.4 million to the overall decrease in WD's planned spending, including:
    - A decrease of $3.6 million attributed to reduced operating budget carry forward and reinvestment of receipts from repayable contributions;
    - An increase of $1.5 million in funding to support the Rick Hansen Foundation in support of the research, programs and operations of the Rick Hansen Institute; and
    - An increase of $0.7 million in funding for the Economic Development Initiative of the 2013–2018 Federal Strategy for Official Languages.

Alignment to Government of Canada Outcomes

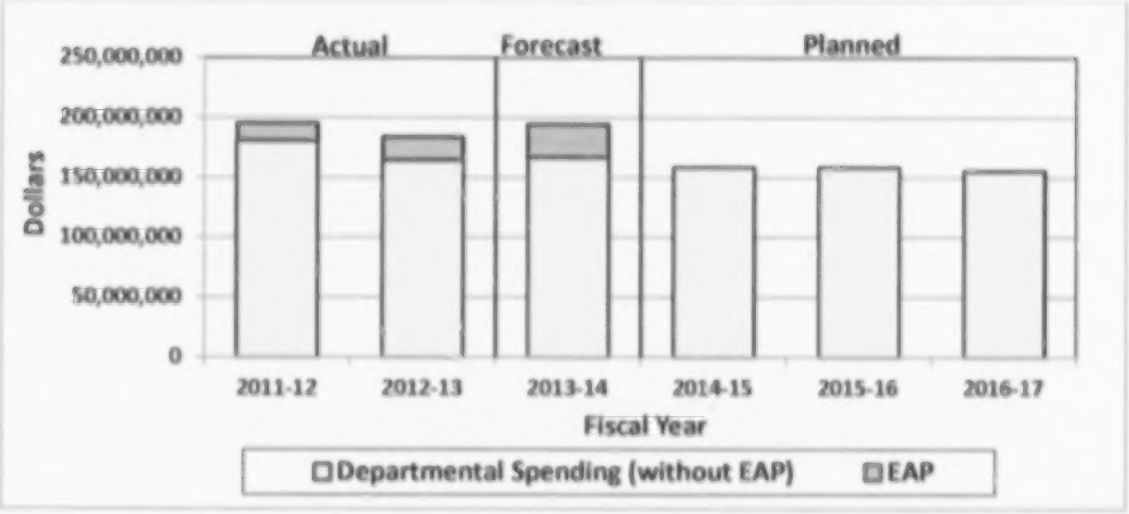
2014–15 Planned Spending by Whole-of-Government-Framework Spending Area[17]

Strategic Outcome	Program	Spending Area	Government of Canada Outcome	2014–15 Planned Spending (dollars)
1. A growing and diversified western Canadian economy	1.1 Business Development and Innovation	Economic Affairs	Strong economic growth	100,598,774
	1.2 Community Economic Growth	Economic Affairs	Strong economic growth	34,432,043
	1.3 Policy, Advocacy and Coordination	Economic Affairs	Strong economic growth	10,741,002

Total Planned Spending by Spending Area (dollars)

Spending Area	Total Planned Spending
Economic Affairs	158,907,952
Social Affairs	0
International Affairs	0
Government Affairs	0

Departmental Spending Trend



WD's spending will decrease in 2014–15 as a result of the sun-setting Community Infrastructure Improvement Fund (CIIF) program under Canada's EAP, as well as planned savings as identified in Budget 2012. Further details are provided in the section entitled "Planned Expenditures."

Estimates by Vote

For information on WD's organizational appropriations, please see the *2014–15 Main Estimates*[18] publication.

Contribution to the Federal Sustainable Development Strategy

The 2013–16 Federal Sustainable Development Strategy (FSDS),[19] tabled on November 4, 2013, guides the Government of Canada's 2013–16 sustainable development activities. The FSDS articulates Canada's federal sustainable development priorities for a period of three years, as required by the *Federal Sustainable Development Act*.

WD contributes to Themes I - Addressing Climate Change and Air Quality; II - Maintaining Water Quality and Availability; IV - Shrinking the Environmental Footprint – Beginning with Government as denoted by the visual identifiers below.

Theme I
Addressing Climate Change and Air Quality
Theme II
Maintaining Water Quality and Availability
Theme IV
Shrinking the Environmental Footprint - Beginning with Government

These contributions are components of the following programs and are further explained in Section II:

- Program 1.1: Business Development and Innovation;
- Sub-Program 1.1.3: Innovation Capacity Building;
- Sub-Program 1.1.4: Technology Commercialization; and
- Internal Services

WD also ensures that its decision-making process includes a consideration of the FSDS goals and targets through the strategic environmental assessment (SEA). A SEA for policy, plan or program proposals includes an analysis of the impacts of the proposal on the environment, including on the FSDS goals and targets. The results of SEAs are made public when an initiative is announced or approved, demonstrating that environmental factors were integrated into the decision-making process.

For additional details on WD's activities to support sustainable development, please see Section II of this RPP and WD's website. [20] For complete details on the Strategy, please see the FSDS[21] website.

Section II: Analysis of Programs by Strategic Outcome

Strategic Outcome: A growing and diversified western Canadian economy

Western Economic Diversification Canada (WD) works to grow the western Canadian economy by helping to build businesses that are innovative and competitive globally, while diversifying the base of the western Canadian economy beyond primary resource industries.

WD's strategic outcome is advanced through the following programs:

- Business Development and Innovation;
- Community Economic Growth; and
- Policy, Advocacy and Coordination.

Program 1.1: Business Development and Innovation

Program Description

Business Development and Innovation supports western Canadian businesses and industry organizations to enhance global trade and investment, business growth and competitiveness, and innovation and technology commercialization. Transfer payments in support of this program are made under the authority of the Women's Enterprise Initiative and the Western Diversification Program.

Budgetary Financial Resources (dollars)

2014–15 Main Estimates	2014–15 Planned Spending	2015–16 Planned Spending	2016–17 Planned Spending
100,598,774	100,598,774	100,528,650	99,450,441

Human Resources (FTEs)

2014–15	2015–16	2016–17
113	113	110

Performance Measurement

Program Expected Results	Performance Indicators	Targets	Date to be Achieved
Western Canadian small and medium-enterprises (SMEs) are engaged in international business	Value of international business activity facilitated by WD	$41M	Mar 31, 2015
Western Canadian SMEs are competitive	# of SMEs that increase gross margins	8	Mar 31, 2015
Western Canadian SMEs are innovative	# of instances of protection of intellectual property exercised	10	Mar 31, 2015

Planning Highlights

WD plans to undertake the following Business Development and Innovation activities in 2014–15:

- Strengthen SME engagement in international markets, global supply chains and federal defence procurement;
- Support initiatives to improve business productivity and growth, including the delivery of community-based business support, and enhance access to skilled labour in Western Canada;
- Support market-driven innovation activities, including investments in knowledge infrastructure; and
- Deliver the new Western Innovation (WINN) Initiative to assist western Canadian SMEs in commercializing new technology products, processes and services.

Sub-program 1.1.1: Trade, Investment and Market Access

Sub-program Description

Trade, Investment and Market Access focuses on increasing Western Canada's participation in global markets, increasing awareness of Western Canada's technology capabilities abroad and attracting new foreign investment to support access to and participation in global value chains. It strives to strengthen trade-related infrastructure to enhance trade flows in and out of Western Canada and promotes Western Canada as an attractive destination for international tourists, students, researchers and investors. Transfer payments in support of this sub-program are made under the authority of the Western Diversification Program.

Budgetary Financial Resources (dollars)

2014–15 Planned Spending	2015–16 Planned Spending	2016–17 Planned Spending
19,627,047	19,613,366	19,245,605

Human Resources (FTEs)

2014–15	2015–16	2016–17
34	34	32

Performance Measurement

Sub-Program Expected Results	Performance Indicators	Targets	Date to be Achieved
Capacity of western clients to pursue international business opportunities / attract international visitors	# of western SMEs and other organizations pursuing a new trade, investment or international research and development opportunities, as a result of global advisory services	250	Mar 31, 2015
Capacity to support the flow of goods and services in/out of Western Canada	Value of improvements to trade infrastructure	$1M	Mar 31, 2015
International awareness of trade, investment and tourism opportunities, and SME technology capabilities in Western Canada	Value of new international business leads generated through missions/events	$57M	Mar 31, 2015

Planning Highlights

WD plans to undertake the following trade, investment and market access activities in 2014–15:

- Strengthen the ability of western Canadian SMEs to access opportunities in international markets, both in North American and emerging markets;
- Improve trade corridors of importance to Western Canada to support the flow of goods, services and people;
- Strategically support western Canadian participation at international trade shows to raise awareness of the West's capabilities; and
- Build awareness of Western Canada as a competitive investment destination to increase foreign direct investment into the region.

Sub-program 1.1.2: Business Productivity and Growth

Sub-program Description

Business Productivity and Growth supports western Canadian businesses, business service providers and industry to undertake initiatives to enhance business productivity, competitiveness and growth of western Canadian SMEs. In addition, this sub-program supports delivery of business services and access to capital for targeted client groups such as women, persons with disabilities and Aboriginal people through partner organizations. Transfer payments in support of this sub-program are made under the authority of the Women's Enterprise Initiative and the Western Diversification Program.

Budgetary Financial Resources (dollars)

Planned Spending 2014–15	Planned Spending 2015–16	Planned Spending 2016–17
24,002,214	23,985,483	23,535,745

Human Resources (FTEs)

2014–15	2015–16	2016–17
28	28	27

Performance Measurement

Sub-Program Expected Results	Performance Indicators	Targets	Date to be Achieved
Access to business development services, capital and leveraged capital	# of businesses created, maintained or expanded through business or capital services	2,800	Mar 31, 2015
Adoption of sound management and business practices and technology	# of SMEs investing in adoption of sound management or business practices, or technology	270	Mar 31, 2015
Access to skilled labour	# of skilled workers hired as a result of training or skills certification	240	Mar 31, 2015

Planning Highlights

WD plans to undertake the following business productivity and growth activities in 2014–15:

- Support and strengthen the role of members of the Canada Business Network, Women's Enterprise Initiatives organizations, Francophone Economic Development Organizations and the Aboriginal Business Service Network in their efforts to enhance business productivity, competitiveness and growth of western Canadian SMEs;
- Support targeted investments that improve business productivity and growth and help address shortages of skilled workers in Western Canada, including projects that increase the availability of training equipment, implement on-site training programs and facilitate the sharing of skills training best practices; and
- Facilitate opportunities for partnerships between industry and post-secondary and other organizations to increase training capacity related to specific skilled trades.

Sub-program 1.1.3: Innovation Capacity Building

Sub-program Description

Innovation Capacity Building strengthens the innovation system in the West by supporting efforts of research and not-for-profit institutions to commercialize knowledge-based products, processes and services. It also supports relevant skills training for highly qualified personnel. Transfer payments in support of this sub-program are made under the authority of the Western Diversification Program.

Budgetary Financial Resources (dollars)

2014–15 Planned Spending	2015–16 Planned Spending	2016–17 Planned Spending
11,440,941	11,432,966	11,218,593

Human Resources (FTEs)

2014–15	2015–16	2016–17
9	9	9

Performance Measurement

Sub-Program Expected Results	Performance Indicators	Targets	Date to be Achieved
Initial Technology Development - basic technological components are integrated for testing and validation in a simulated (laboratory) environment	Value of applied research and development undertaken up to three years after the funding period	$10M	Mar 31, 2015
Intermediate Technology Development - prototypes are ready for demonstration in an operational setting	# of prototypes ready for demonstration in operational environment	70	Mar 31, 2015
Highly Qualified People (HQP) - create a pool of highly qualified personnel to support the commercialization of knowledge-based products, processes and services	# of HQP trained	500	Mar 31, 2015

Planning Highlights

WD plans to undertake the following innovation capacity building activities in 2014–15:

- Invest in projects that improve knowledge infrastructure and maker spaces, support applied research and development or develop highly qualified personnel; and
- Convene key western stakeholders from industry, post-secondary institutions, major research facilities and government to discuss innovation policy, strengthen the innovation marketplace and support commercial opportunities.

Sub-program 1.1.4: Technology Commercialization

Sub-program Description

Technology Commercialization supports SMEs, directly or indirectly through not-for-profit entities, in the development and production of prototypes, demonstration of products and third party certification, as well as testing and quality assurance of specific products. In addition, it supports outreach and promotional activities to attract investment, validate market potential and end user acceptance, and facilitate market-ready knowledge-based products, processes and services. Transfer payments in support of this sub-program are made under the authority of the Western Diversification Program.

Budgetary Financial Resources (dollars)

2014–15 Planned Spending	2015–16 Planned Spending	2016–17 Planned Spending
45,528,572	45,496,835	45,450,498

Human Resources (FTEs)

2014–15	2015–16	2016–17
42	42	42

Performance Measurement

Sub-Program Expected Results	Performance Indicators	Targets	Date to be Achieved
Advanced Technology Development - the technology in its final form is proven through successful deployment in an operational setting under real-life conditions	# of products, processes or services, proven through successful deployment in an operational setting	6	Mar 31, 2015
Enhanced financial capacity of SMEs to pursue technology development and commercialization	Value of incremental private sector investment attracted	$0*	Mar 31, 2015
Sales of knowledge-based products, processes, and/or services by SMEs	Value of sales tied to the knowledge-based product/ process/ service/ technology commercialized	$0*	Mar 31, 2015

* Although WD will begin investing in Technology Commercialization activities through the WINN Initiative in 2014–15, these types of activities have historically required more than one year to demonstrate results. Therefore, this target is set to zero for 2014–15.

Planning Highlights

WD plans to undertake the following technology commercialization activities in 2014–15:

- Provide repayable contributions under the WINN Initiative to for-profit SMEs in Western Canada in to bring new technology-based products, processes and services to market; and
- Invest in projects that support advanced technology development, demonstration of products, outreach and promotional activities or validation of market potential.

Program 1.2: Community Economic Growth

Program Description

Community Economic Growth involves economic development initiatives that support communities to advance their economies, adjust to changing and challenging economic circumstances and recover from depressed economic circumstances. This is achieved through both funding of projects to support infrastructure programming and community development, as

well as funding support of the Community Futures (CF) organizations. Transfer payments in support of this program are made under the authority of the Western Diversification Program and the Community Futures Program.

Budgetary Financial Resources (dollars)

2014–15 Main Estimates	2014–15 Planned Spending	2015–16 Planned Spending	2016–17 Planned Spending
34,432,043	34,432,043	34,408,041	32,956,127

Human Resources (FTEs)

2014–15	2015–16	2016–17
34	34	24

Performance Measurement

Program Expected Results	Performance Indicators	Targets	Date to be Achieved
Western Canadian communities have strong businesses	SME sales growth	13.0%	Mar 31, 2015
Western Canadian communities have capacity for socio-economic development	# of communities benefitting from Community Economic Growth projects	1,400	Mar 31, 2015
Western Canadian communities have the necessary public infrastructure to support economic growth	# of communities benefitting from federal public infrastructure investments	n/a*	n/a

* With the cessation of the Community Infrastructure Improvement Fund (CIIF) in March 2014, WD is not anticipating results related to this indicator for 2014–15. The results of WD's work to support community infrastructure through programs delivered on behalf of Infrastructure Canada are reported through Infrastructure Canada.

Planning Highlights

WD plans to undertake the following community economic growth activities in 2014–15:

- Continue to collaborate with Infrastructure Canada in the delivery of current infrastructure programs across the West;
- Continue to work with other federal organizations to deliver the Economic Development Initiative [22] as part of the *Roadmap for Canada's Official Languages 2013–2018*; and
- Complete CF Modernization activities to maximize the economic impact of CF organizations and ensure alignment with Government of Canada and WD priorities.

Sub-program 1.2.1: Infrastructure Programming

Sub-program Description

Infrastructure Programming provides community funding in Western Canada to build and renew infrastructure in rural and urban municipalities across Canada, allowing them to compete in the

regional, national and global economy. WD delivers infrastructure programming directly or in partnership with other federal departments and the four western provincial governments. Transfer payments in support of direct delivery of this sub-program are made through designated program authorities, excluding the Western Diversification Program. Transfer payments in support of the delivery of this sub-program are made through Other Government Department Suspense accounts when WD delivers programs on behalf of other federal departments.

Budgetary Financial Resources (dollars)

2014–15 Planned Spending	2015–16 Planned Spending	2016–17 Planned Spending
1,047,054	1,046,324	219,957

Human Resources (FTEs)

2014–15	2015–16	2016–17
11	11	2

Performance Measurement

Sub-Program Expected Results	Performance Indicators	Targets	Date to be Achieved
New or improved environmental infrastructure	# of new or improved environmental systems	n/a*	n/a
New or improved transportation or telecommunications infrastructure	# of new or improved transportation or telecommunications networks	n/a*	n/a
New or improved community, cultural, recreational, tourism or other related infrastructure	# of new or improved community, cultural, recreational, tourism or other related facilities	n/a*	n/a

* With the cessation of the CIIF in March 2014, WD is not anticipating results related to this indicator for 2014–15. The results of WD's work to support community infrastructure through programs delivered on behalf of Infrastructure Canada are reported through Infrastructure Canada.

Planning Highlights

WD plans to undertake the following infrastructure programming activities in 2014–15:

- Continued administration of the Building Canada Fund – Communities Component; and
- Continued collaboration with Infrastructure Canada in the delivery of current infrastructure programs across the West.

Sub-program 1.2.2: Community Development

Sub-program Description

Community Development assists communities, including the Official Language Minority Communities (OLMCs), to assess community needs and develop community strategic plans in response to those needs. It also provides funding for the implementation of projects that stimulate economic development and capitalize on communities' capacity, strengths and

opportunities. Transfer payments in support of this sub-program are made under the authority of the Western Diversification Program.

Budgetary Financial Resources (dollars)

2014–15 Planned Spending	2015–16 Planned Spending	2016–17 Planned Spending
3,189,378	3,187,155	3,127,394

Human Resources (FTEs)

2014–15	2015–16	2016–17
9	9	9

Performance Measurement

Sub-Program Expected Results	Performance Indicators	Targets	Date to be Achieved
Strong community strategic planning	# of regionally-based community strategic plan(s) developed and/or updated	100	Mar 31, 2015
Effective implementation of community plans	Value of community-based projects	$12M	Mar 31, 2015

Planning Highlights

WD plans to undertake the following community development activities in 2014–15:

- Work with Aboriginal groups and partners to create local economic opportunities, enhance community capacity and support labour market skills development;
- Support Francophone Economic Development Organizations in the provision of community economic development services to OLMCs; and
- Continue to work with other federal organizations to deliver the Economic Development Initiative[23] as part of the *Roadmap for Canada's Official Languages 2013–2018.*

Sub-program 1.2.3: Community Futures Program

Sub-program Description

The CF Program builds the capacity of rural communities to increase their economic activities by aiding the development and implementation of local solutions to local problems. This sub-program provides financial support to CF organizations to deliver a range of small businesses services, provide repayable financing to new and existing enterprises, and support development of strategic plans and community economic development projects to address community needs. Transfer payments in support of this sub-program are made under the authority of the CF Program.

Budgetary Financial Resources (dollars)

2014–15 Planned Spending	2015–16 Planned Spending	2016–17 Planned Spending
30,011,440	29,990,519	29,428,184

Human Resources (FTEs)

2014–15	2015–16	2016–17
13	13	12

Performance Measurement

Sub-Program Expected Results	Performance Indicators	Targets	Date to be Achieved
Strong rural community strategic planning and implementation	Value of community-based projects	$13M	Mar 31, 2015
Rural access to business development services	# of businesses created / maintained / expanded through business services	940	Mar 31, 2015
Rural access to capital and leveraged capital	Value of loans	$62M	Mar 31, 2015

Planning Highlights

WD plans to undertake the following community futures program activities in 2014–15:

- Fund CF organizations to deliver a variety of services ranging from technical and advisory services to businesses, loans to small and medium-sized businesses, strategic economic planning, and services targeted to youth and entrepreneurs with disabilities; and
- Complete CF Modernization activities to maximize the economic impact of CF organizations and ensure alignment with Government of Canada and WD priorities.

Sub-program 1.2.4: Targeted Economic Initiatives

Sub-program Description

Targeted Economic Initiatives support economic activity in western Canadian communities on a temporary basis through targeted economic stimulus or adjustment. WD provides assistance through dedicated, temporary supplementary funding from the Government of Canada or through the department's own special allocations. Transfer payments in support of this sub-program are made through designated funding authorities and may be made under the authority of the Western Diversification Program as a temporary and targeted measure only.

Budgetary Financial Resources (dollars)

2014–15 Planned Spending	2015–16 Planned Spending	2016–17 Planned Spending
184,171	184,043	180,592

Human Resources (FTEs)

2014–15	2015–16	2016–17
1	1	1

Performance Measurement

Sub-Program Expected Results	Performance Indicators	Targets	Date to be Achieved
Businesses opportunities created	# businesses created / maintained / expanded	n/a*	n/a
Community opportunities created	Value of community-based projects, as well as leverage	n/a*	n/a
Job opportunities created	# jobs created, maintained or expanded	n/a*	n/a

* No results for targeted economic initiatives are expected for 2014–15.

Planning Highlights

In 2014-15, WD will continue to monitor and follow-up on repayable contributions made under the Community Adjustment Fund.

Program 1.3: Policy, Advocacy and Coordination

Program Description

Policy, Advocacy and Coordination supports the advancement of the interests of Western Canada through effective strategies, policies and programs that address western economic development needs and by establishing cooperative relationships with key stakeholders. Transfer payments in support of this program are made under the authority of the Western Diversification Program.

Budgetary Financial Resources (dollars)

2014–15 Main Estimates	2014–15 Planned Spending	2015–16 Planned Spending	2016–17 Planned Spending
10,741,002	10,741,002	10,733,515	10,532,257

Human Resources (FTEs)

2014–15	2015–16	2016–17
64	64	63

Performance Measurement

Program Expected Results	Performance Indicators	Targets	Date to be Achieved
Policies that strengthen the western Canadian economy	Percentage of key informants with the opinion that WD activities resulted in policies that support the economic development of Western Canada	90%	Mar 31, 2016
Programs that strengthen the western Canadian economy	Percentage of key informants with the opinion that WD activities resulted in programs that support the economic development of Western Canada	90%	Mar 31, 2016

Planning Highlights

WD plans to undertake the following Policy, Advocacy and Coordination activities in 2014–15:

- Promote western interests to key decision-makers in the development of national policies and strategies;
- Build relationships with key stakeholders in western provinces and with other federal organizations by proactively engaging potential partners, sharing information and collaborating on initiatives of interest to Western Canada; and
- Support policy analysis to enhance understanding of western Canadian economic issues, challenges and opportunities related to the department's priorities in order to identify areas for departmental action.

Sub-program 1.3.1: Advocacy and Coordination

Sub-program Description

Advocacy and Coordination advances Western Canada's interests in national policies, priorities, and programs through inclusion of regional issues and opportunities as identified by key stakeholders. Efforts in this sub-program lead to balanced, regionally sensitive approaches to Government of Canada priorities, coordinated economic development in the West and increased procurement opportunities in Western Canada. Transfer payments in support of this sub-program are made under the authority of the Western Diversification Program.

Budgetary Financial Resources (dollars)

2014–15 Planned Spending	2015–16 Planned Spending	2016–17 Planned Spending
7,362,952	7,357,820	7,219,858

Human Resources (FTEs)

2014–15	2015–16	2016–17
50	50	49

Performance Measurement

Sub-Program Expected Results	Performance Indicators	Targets	Date to be Achieved
Access to economic opportunities for Western Canada	# of initiatives WD engaged in toward enhancing access to economic development opportunities for Western Canada	26	Mar 31, 2015
Coordinated economic development activities, policies and programs in Western Canada	# of economic development initiatives undertaken, programs implemented, and policies developed which were coordinated by WD	14	Mar 31, 2015
Access to procurement opportunities for western Canadian SMEs	# of initiatives engaged in by WD toward enhanced access to procurement opportunities for western Canadian SMEs	25	Mar 31, 2015

Planning Highlights

WD plans to undertake the following advocacy and coordination activities in 2014–15:

- Represent western interests to key decision-makers in the development of national policies and strategies. For example, WD will represent western perspectives in the development and implementation of the federal Defence Procurement Strategy and the Global Markets Action Plan;
- Build and sustain a strong network of stakeholders throughout the West to enhance the department's knowledge of issues and opportunities in the region; and
- Convene and engage key stakeholders across the West to identify opportunities for collaboration in support of economic development activities, including the identification of partnership projects with provinces and other stakeholders in targeted areas. For example, WD will engage and work with Aboriginal Canadians and key partners to identify opportunities to increase the economic participation of Aboriginal western Canadians, with a particular focus on business development, skills and training.

Sub-program 1.3.2: Economic Analysis

Sub-program Description

Economic Analysis increases understanding of western Canadian challenges, opportunities, and priorities through externally generated or in-house research. Economic analysis also supports internal as well as Government of Canada policy and program development. Transfer payments in support of this sub-program are made under the authority of the Western Diversification Program.

Budgetary Financial Resources (dollars)

2014–15 Planned Spending	2015–16 Planned Spending	2016–17 Planned Spending
3,378,050	3,375,695	3,312,399

Human Resources (FTEs)

2014–15	2015–16	2016–17
14	14	14

Performance Measurement

Sub-Program Expected Results	Performance Indicators	Targets	Date to be Achieved
Decisions impacting the western Canadian economy are informed by evidence-based economic analysis	# of evidence-based economic analyses conducted/ funded by WD	31	Mar 31, 2015

Planning Highlights

WD plans to undertake the following economic analysis activities in 2014–15:

- Support economic and policy analysis to enhance understanding of western Canadian economic issues, challenges, opportunities and priorities;
- Conduct research to provide a better understanding of capacity in the West, as well as the challenges and needs of Western Canada and SMEs; and
- Strengthen departmental knowledge of the needs and capabilities of western Canadian businesses related to the department's strategic priorities through increased availability of research and analysis.

Internal Services

Description

Internal Services are groups of related activities and resources that are administered to support the needs of programs and other corporate obligations of the organization. These groups are Management and Oversight Services, Communications Services, Legal Services, Human Resources Management Services, Financial Management Services, Information Management Services, Information Technology Services, Real Property Services, Materiel Services, Acquisition Services and Other Administrative Services.

Budgetary Financial Resources (dollars)

2014–15 Main Estimates	2014–15 Planned Spending	2015–16 Planned Spending	2016–17 Planned Spending
13,136,133	13,136,133	13,126,976	12,880,840

Human Resources (FTEs)

2014–15	2015–16	2016–17
99	99	99

Planning Highlights

WD plans to undertake the following internal services activities in 2014–15:

- Continue to identify operational efficiencies through the use of technology or improved business processes to modernize the way in which WD delivers programs and services to Canadians;
- Transition to a new electronic record-keeping model to improve knowledge management;
- Contribute to the Government of Canada's BluePrint 2020 initiative to build a world-class public service;and
  Provide training to ensure knowledge retention, address any skills gaps and maintain strong client service.

WD is a participant in the 2013–16 Federal Sustainable Development Strategy and contributes to the Theme IV (Greening Government Operations) targets through the Internal Services program. The department plans to

- Take action to embed environmental considerations into public procurement, in accordance with the federal Policy on Green Procurement, and
- Develop an approach to maintain or improve the sustainability of its workplace operations.

Additional details on WD's activities can be found in the Greening Government Operations Supplementary Information Table.[24]

Section III: Supplementary Information

Future-Oriented Statement of Operations

The future-oriented condensed statement of operations presented in this subsection is intended to serve as a general overview of the WD's operations. The forecasted financial information on expenses and revenues are prepared on an accrual accounting basis to strengthen accountability and to improve transparency and financial management.

Because the future-oriented statement of operations is prepared on an accrual accounting basis and the forecast and planned spending amounts presented in other sections of this report are prepared on an expenditure basis, amounts will differ.

A more detailed future-oriented statement of operations and associated notes, including a reconciliation of the net costs of operations to the requested authorities, can be found on the WD website.[25]

Future-Oriented Condensed Statement of Operations
For the Year Ended March 31 (dollars)

	Estimated Results 2013–14	Planned Results 2014–15	Change
Total expenses	194,564,476	148,992,654	(45,571,822)
Total revenues	2,670	3,071	401
Net cost of operations	194,561,806	148,989,583	(45,572,223)

WD's total expenses are $149.0 million in 2014–15, compared to $194.6 million in 2013–14. The $45.6 million decrease in total expenses includes decreases of $39.3 million in transfer payments and $6.3 million in other operating costs. The majority of these decreases are a result of the completion of Community Infrastructure Improvement Fund and Budget 2012 planned savings.

List of Supplementary Information Tables

The supplementary information tables listed in the *2014–15 Report on Plans and Priorities* can be found on the WD website.[26]

- Details on Transfer Payment Programs;
- Disclosure of Transfer Payment Programs under $5 million;
- Up-Front Multi-Year Funding;
- Greening Government Operations; and
- Upcoming Internal Audits and Evaluations over the next three fiscal years.

Tax Expenditures and Evaluations

The tax system can be used to achieve public policy objectives through the application of special measures such as low tax rates, exemptions, deductions, deferrals and credits. The Department of Finance publishes cost estimates and projections for these measures annually in the *Tax Expenditures and Evaluations*[27] publication. The tax measures presented in the Tax Expenditures and Evaluations publication are the sole responsibility of the Minister of Finance.

Section IV: Organizational Contact Information

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Endnotes

1 Treasury Board Secretariat Estimates Publications and Appropriation Acts, http://www.tbs-sct.gc.ca/ems-sgd/esp-pbc/esp-pbc-eng.asp.

2 Selected Departmental Performance Reports for 2008–2009 – Department of Industry, Department of Transport. Report of the Standing Committee on Public Accounts, September 2010, http://www.parl.gc.ca/HousePublications/Publication.aspx?Mode=1&Parl=40&Ses=3&Language=E&DocId=4653561&File=0.

3 Strengthening Parliamentary Scrutiny of Estimates and Supply. Report of the Standing Committee on Government and Operations Estimates, June 2012, http://www.parl.gc.ca/HousePublications/Publication.aspx?DocId=5690996&Language=E&Mode=1&Parl=41&Ses=1.

4 Whole-of-government framework, http://www.tbs-sct.gc.ca/ppg-cpr/frame-cadre-eng.aspx

5 http://laws.justice.gc.ca/eng/acts/W-6.8/

6 Includes the Northwest Territories, the Yukon and Nunavut.

7 Statistics Canada, CANSIM Table 358-0161 Business enterprise research and development characteristics, by industry group based on the North American Industry Classification System, provinces and territories http://www5.statcan.gc.ca/cansim/a26?lang=eng&retrLang=eng&id=3580161&paSer=&pattern=&stByVal=1&p1=1&p2=38&tabMode=dataTable&csid=

[8] Statistics Canada, CANSIM Table 384-0038 Gross Domestic Product, Expenditure-Based, Provincial and Territorial
http://www5.statcan.gc.ca/cansim/pick-choisir?lang=eng&p2=33&id=3840038

[9] http://www.budget.gc.ca/2013/doc/plan/chap3-4-eng.html

[10] http://www.ic.gc.ca/eic/site/icgc.nsf/vwapj/SandTstrategy.pdf/$file/SandTstrategy.pdf

[11] Natural Resources Canada, *Defining the Opportunity: Assessing the Economic Impact of the Natural Resources Sector*, September 2012.
http://www.scics.gc.ca/english/conferences.asp?a=viewdocument&id=1907

[12] http://www.international.gc.ca/economist-economiste/assets/pdfs/Data/facts-fiches/Provincial_Pfact_ENG.pdf

[13] http://international.gc.ca/global-markets-marches-mondiaux/index.aspx?lang=eng

[14] Canadian Association of Defence and Security Industries' KPMG report
https://app.box.com/s/qda8fnlf76cyadp3e6dn

[15] Jenkins Leveraging Military Procurement report
http://www.tpsgc-pwgsc.gc.ca/app-acq/documents/cam-lmp-eng.pdf

[16] "Full-time equivalent" (FTE) is a measure of the extent to which an employee represents a full person-year charge against a departmental budget. FTEs are calculated as a ratio of assigned hours of work to scheduled hours of work. Scheduled hours of work are set out in collective agreements.

[17] http://www.tbs-sct.gc.ca/ppg-cpr/frame-cadre-eng.aspx

[18] http://www.tbs-sct.gc.ca/ems-sgd/esp-pbc/me-bpd-eng.asp

[19] 2013–16 Federal Sustainable Development Strategy,
http://www.ec.gc.ca/dd-sd/default.asp?lang=En&n=A22718BA-1

[20] http://www.wd-deo.gc.ca/eng/12782.asp

[21] Federal Sustainable Development Strategy,
http://www.ec.gc.ca/dd-sd/Default.asp?lang=En&n=C2844D2D-1

[22] http://www.wd-deo.gc.ca/eng/11564.asp

[23] http://www.wd-deo.gc.ca/eng/11564.asp

[24] http://www.wd.gc.ca/eng/59.asp

[25] http://www.wd-deo.gc.ca

[26] http://www.wd-deo.gc.ca

[27] Government of Canada Tax Expenditures
http://www.fin.gc.ca/purl/taxexp-eng.asp